

Title 210 – NEBRASKA DEPARTMENT OF INSURANCE

Chapter 76 – VIATICAL SETTLEMENTS

001. Authority

This regulation is adopted by the director pursuant to the authority in Neb. Rev. Stat. §44-1114.

002. Definitions

In addition to the definitions in Neb. Rev. Stat. §44-1102, the following definitions apply to this regulation:

- (002.01) “Insured” means the person covered under the policy being considered for viatication.
- (002.02) “Life expectancy” means the mean of the number of months the individual insured under the life insurance policy to be viaticated can be expected to live as determined by the viatical settlement provider considering medical records and appropriate experiential data.
- (002.03) “Net death benefit” means the amount of the life insurance policy or certificate to be viaticated less any outstanding debts or liens.
- (002.04) “Patient identifying information” means an insured’s address, telephone number, facsimile number, electronic mail address, photograph or likeness, employer, employment status social security number, or any other information that is likely to lead to the identification of the insured.

003. License Requirements

- (003.01A) The Director may require an examination based on the NAIC Viatical Settlements Brokers Examination.
- (003.01B) No existing viatical settlement broker’s license shall be renewed or reissued until the licensee or individual authorized to act as a viatical settlement broker under a license issued to a legal entity has passed the NAIC Viatical Settlement Brokers Examination, if required by the director.
- (003.01C) A passing score for the NAIC Viatical Settlements Brokers Examination shall be a minimum score of seventy-percent (70%).

- (003.01D) If the individual passes the NAIC Viatical Settlement Brokers Examination that is administered by another state that is a participant in the NAIC Viatical Settlement Brokers Examination process, then the individual has satisfied the testing requirements of this state.
- (003.02) In addition to the information required in Neb. Rev. Stat. §44-1103, the director may ask for other information necessary to determine whether the applicant for a license as a viatical settlement provider or viatical settlement broker complies with the requirements of Neb. Rev. Stat. §44-1103.
- (003.03) The application for a viatical settlement broker shall be accompanied by a fee of \$40.00. The broker license may be renewed by payment of \$40.00 and a current copy of a letter of good standing obtained from the filing officer of the applicant's state of domicile. The application for a viatical settlement provider shall be accompanied by a fee of \$100. The provider license may be renewed annually by payment of \$100 and a current copy of a letter of good standing from the state of domicile. If a viatical settlement provider or viatical settlement broker fails to pay the renewal fee within the time prescribed, or a viatical settlement provider fails to submit the reports required in Section 006 of this regulation, such nonpayment or failure to submit the required reports shall result in expiration of the license. If a viatical settlement provider has, at the time of renewal, viatical settlements where the insured has not died, it shall do one of the following:
- (003.03A) Renew or maintain its current license status until the earlier of the following events:
- (003.03A(1)) The date the viatical settlement provider properly assigns, sells or otherwise transfers the viatical settlements where the insured has not died; or
- (003.03A(2)) The date that the last insured covered by viatical settlement transaction has died.
- (003.03B) Appoint, in writing, either the viatical settlement provider that entered into the viatical settlement, the broker who received commissions from the viatical settlement, if applicable, or any other viatical settlement provider or broker licensed in this state to make all inquiries to the viator, or the viator's designee, regarding health status of the viator or any other matters.
- (003.04) An individual licensed as a viatical settlement broker or authorized to act under a license issued to a licensed entity as a viatical settlement broker shall complete nine (9) hours of department-approved continuing education during each continuing education biennium.
- (003.04A) The required continuing education hours shall include a minimum of:
- (a) Six (6) hours in life insurance;

- (b) Three (3) hours in ethics.
- (003.04B) The same hours may be credited towards the individual's continuing education requirements for the viatical settlement broker license and the applicable producer license, if any.
- (003.04C) Each continuing education biennium shall begin at the end of the licensee's birth month when licensee's age ends in an even number.
- (003.04D) The license of an individual who fails to comply with this continuing education requirement and who has not been granted an extension of time to comply in accordance with Neb. Rev. Stat. §44-4054(6) shall terminate and shall be promptly surrendered to the director without demand.
- (003.05) A viatical settlement broker or viatical settlement provider shall file with the director, and thereafter for as long as the license remains in effect shall keep in force, evidence of financial responsibility.
- (003.05A) For viatical settlement brokers, evidence of financial responsibility shall be in the form of an errors and omissions insurance policy with a minimum limit of \$100,000. The policy shall not be terminated without thirty (30) days prior written notice to the licensee and the director.
- (003.05B) For viatical settlement providers, evidence of financial responsibility shall be in the amount of \$50,000 and shall be in the form of a surety bond issued by an authorized corporate surety or a deposit of cash, certificates of deposit or securities or any combination of these evidences of financial responsibility. The policy, bond, deposit or combination thereof shall not be terminated without thirty (30) days prior written notice to the licensee and the director and shall name the director as obligee.
- (003.06) The license issued to a viatical settlement provider or viatical settlement broker shall be a limited license that allows it to operate only within the scope of its license.

004. Appointments

- (004.01) A viatical settlement broker shall not act as an agent of a viatical settlement provider unless the viatical settlement broker becomes an appointed agent of that provider. A viatical settlement broker who is not acting as a viatical settlement broker of a provider is not required to be appointed.
- (004.02) To appoint a viatical settlement broker as its agent, the appointing provider shall file, in a format approved by the director, a notice of appointment within fifteen (15) days from the date the agency contract is executed or the first viatical settlement contract is negotiated on behalf of the provider.

- (004.03) Upon receipt of the notice of appointment, the director shall verify within a reasonable time not to exceed thirty (30) days that the viatical settlement broker is determined to be eligible for appointment. If the viatical settlement broker is determined to be ineligible for appointment, the director shall notify the provider within ten (10) days of its determination.
- (004.04) A provider shall pay an appointment fee, in the amount and method of payment set forth in Neb. Rev. Stat. §44-4064 (1) (c) not to exceed \$10.00, for each viatical settlement broker appointed by the provider.
- (004.05) A provider shall remit, in a manner prescribed by the insurance director, a renewal fee in the amount set forth in Neb. Rev. Stat. §44-4064(1)(c) not to exceed \$10.00.

005. Standards for Evaluation of Reasonable Payments for Terminally or Chronically Ill Insureds

In order to assure that viators receive a reasonable return for viaticating an insurance policy, the return for viaticating a policy shall be no less than the following payouts for insureds who are terminally or chronically ill:

Insured's Life Expectancy	Minimum Percentage of Face Value Less Outstanding Loans Received by Viator
Less than 6 months	[80%]
At least 6 but less than 12 months	[70%]
At least 12 but less than 18 months	[65%]
At least 18 but less than 24 months	[60%]
Twenty-four months or more	[50%]

The percentage may be reduced by [5%] for viaticating a policy written by an insurer rated less than the highest [4] categories by A.M. Best, or a comparable rating by another rating agency.

006. Reporting Requirement

- (006.01) On March 1 of each calendar year, each viatical settlement provider licensed in this state shall make a report of all viatical settlement transactions where the viator is a resident of this state and for all states in the aggregate containing the following information for the previous calendar year:
- (006.01A) For viatical settlements contracted during reporting period:
- (006.01A(1)) Date of viatical settlement contract;
- (006.01A(2)) Viator's state of residence at the time of the contract;
- (006.01A(3)) Mean life expectancy of the insured at time of contract in months;

- (006.01A(4)) Face amount of policy viaticated;
- (006.01A(5)) Net death benefit viaticated;
- (006.01A(6)) Estimated total premiums to keep policy in force for mean life expectancy;
- (006.01A(7)) Net amount paid to viator;
- (006.01A(8)) Source of policy (B-Broker; D-Direct Purchase; O-Purchased from individual or entity other than the original viator);
- (006.01A(9)) Type of coverage (I-Individual or G-Group);
- (006.01A(10)) Within the contestable or suicide period, or both, at the time of viatical settlement (yes or no);
- (006.01A(11)) Classification of diseases and injuries:
 - (a) Cardiovascular diseases;
 - (b) Diseases of the central nervous system;
 - (c) Diseases of the peripheral nervous system;
 - (d) Elders with nonspecific disease processes;
 - (e) Infectious diseases and autoimmune diseases;
 - (f) Liver and renal diseases;
 - (g) Neoplasms;
 - (h) Non-neoplastic pulmonary diseases;
 - (i) Other;
- (006.01A(12)) Type of funding. (P-purchaser; L-license; A-accredited investor; F-financing entity; S-special purpose entity; R-related provider trust, I-internal funding); and
- (006.01A(13)) Rating of insurer that issued the policy at the time the policy was viaticated.
- (006.01B) For viatical settlements where death has occurred during the reporting period;
 - (006.01B(1)) Date of viatical settlement contract;
 - (006.01B(2)) Viator's state of residence at the time of the contract;
 - (006.01B(3)) Mean life expectancy of the insured at time of contract in months;
 - (006.01B(4)) Net death benefit collected;

- (006.01B(5)) Total premiums paid to maintain the policy (WP-Waiver of Premium; NA-Not Applicable);
- (006.01B(6)) Net amount paid to viator;
- (006.01B(7)) Classification of diseases and injuries:
 - (a) Cardiovascular diseases;
 - (b) Diseases of the central nervous system;
 - (c) Diseases of the peripheral nervous system;
 - (d) Disorders with nonspecific disease processes;
 - (e) Infectious diseases and autoimmune diseases;
 - (f) Liver and renal diseases;
 - (g) Neoplasms;
 - (h) Non-neoplastic pulmonary diseases;
 - (i) Other;
- (006.01B(8)) Date of death;
- (006.01B(9)) Amount of time between date of contract and date of death in months;
- (006.01B(10)) Difference between the number of months that passed between the date of contract and the date of death and the mean life expectancy in months as determined by the reporting company;
- (006.01B(11)) Type of coverage (I-Individual or G-Group);
- (006.01B(12)) Within the contestable or suicide period, or both, at the time of viatical settlement (yes or no);
- (006.01C) Name and address of each viatical settlement broker through whom the reporting provider purchased a policy from a viator who resided in this state at the time of contract;
- (006.01D) Number of policies reviewed and rejected; and
- (006.01E) Number of policies purchased from an individual or entity other than the original viator as a percentage of total policies purchased.
- (006.02) Each viatical settlement provider shall remit an annual statement filing fee of \$200.00 in accordance with Neb. Rev. Stat. §44-114 (7).

007. General Rules

- (007.01) With respect to policies containing a provision for double or additional indemnity for accidental death, the additional payment shall remain payable to the beneficiary last named by the viator prior to entering into the viatical settlement contract, or to such

other beneficiary, other than the viatical settlement provider, as the viator may thereafter designate, or in the absence of a beneficiary, to the estate of the viator.

- (007.02) Payment of the proceeds of a viatical settlement pursuant to Neb. Rev. Stat. §44-1109 (4) shall be by means of wire transfer to the account of the viator or by certified check or cashier's check.
- (007.03) Payment of the proceeds of the viator pursuant to a viatical settlement shall be made in a lump sum except where the viatical settlement provider has purchased an annuity or similar financial instrument issued by a licensed insurance company or bank, or an affiliate of either. Retention of a portion of the proceeds by the viatical settlement provider or escrow agent is not permissible.
- (007.04) A viatical settlement provider or viatical settlement broker shall not discriminate in the making or solicitation of viatical settlements or discriminate between viators with dependents and without dependents.
- (007.05) A viatical settlement provider or viatical settlement broker shall not pay or offer to pay any finder's fee, commission or other compensation to any insured's physician, or to an attorney, accountant or other person providing medical, legal or financial planning services to the viator, or to any other person acting as an agent of the viator, other than a viatical settlement broker, with respect to the viatical settlement.
- (007.06) If a viatical settlement provider enters into a viatical settlement that allows the viator to retain an interest in the policy, the viatical settlement contract shall contain the following provisions;
 - (007.06A) A provision that the viatical settlement provider will effect the transfer of the amount of the death benefit only to the extent or portion of the amount viaticated. Benefits in excess of the amount viaticated shall be paid directly to the viator's beneficiary by the insurance company.
 - (007.06B) A provision that the viatical settlement provider will, upon acknowledgment of the perfection of the transfer, either;
 - (007.06B(1)) Advise the insured, in writing, that the insurance company has confirmed the viator's interest in the policy; or
 - (007.06B(2)) Send a copy of the instrument sent from the insurance company to the viatical settlement provider that acknowledges the viator's interest in the policy; and
 - (007.06C) A provision that apportions the premiums to be paid by the viatical settlement provider and the viator. It is permissible for the viatical settlement contract to specify that all premiums shall be paid by the viatical settlement provider. The

contract may also require that the viator reimburse the viatical settlement provider for the premiums attributable to the retained interest.

- (007.07) In all cases where the insured is a minor child, disclosures to and permission of a parent satisfy the requirements of Neb. Rev. Stat. §44-1108 and this regulation.

008. Prohibited Practices

- (008.01) A viatical settlement provider or viatical settlement broker shall obtain from a person that is provided with patient identifying information a signed affirmation that the person or entity will not further divulge the information without procuring the express, written consent of the insured for the disclosure. Notwithstanding the foregoing, if a viatical settlement provider, or viatical settlement broker is served with a subpoena and, therefore, compelled to produce records containing patient identifying information, it shall notify the viator and the insured in writing at their last known addresses within five (5) business days after receiving notice of the subpoena.
- (008.02) A viatical settlement provider shall not act also as a viatical settlement broker, whether entitled to collect a fee directly or indirectly, in the same viatical settlement.
- (008.03) A viatical settlement broker shall not, without the written agreement of the viator obtained prior to performing any services in connection with a viatical settlement, seek or obtain any compensation from the viator.
- (008.04) A viatical settlement provider shall not use a longer life expectancy than is reasonable in order to reduce the pay-out to the viator.

009. Insurance Company Practices

- (009.01) Life insurance companies authorized to do business in this state shall respond to a request for verification of coverage from a viatical settlement provider or a viatical settlement broker within thirty (30) calendar days of the date a request is received, including the insurer's intent whether to pursue an additional investigation regarding possible fraud or the validity of the insurance contract, subject to the following conditions:
- (009.01A) A current authorization consistent with applicable law, signed by the policyowner or certificateholder, accompanies the request;
- (009.01B) In the case of an individual policy, submission of a form substantially similar to Appendix A, which has been completed by the viatical settlement provider or the viatical settlement broker in accordance with the instructions on the form.
- (009.01C) In the case of group insurance coverage:

- (009.01C(1)) Submission of a form substantially similar to Appendix B, which has been completed by the viatical settlement provider or viatical settlement broker in accordance with the instructions on the form, and
 - (009.01C(2)) Which has previously been referred to the group policyholder and completed to the extent the information is available to the group policyholder.
- (009.02) Nothing in this section shall prohibit a life insurance company and a viatical settlement provider or a viatical settlement broker from using another verification of coverage form that has been mutually agreed upon in writing in advance of submission of the request.
- (009.03) A life insurance company may not charge a fee for responding to a request for information from a viatical settlement provider or viatical settlement broker in compliance with this section in excess of any usual and customary charges to contractholders, certificateholders or insureds for similar services.
- (009.04) The life insurance company may send an acknowledgement of receipt of the request for verification of coverage to the policyowner or certificateholder and, where the policy owner or certificate owner is other than the insured, to the insured. The acknowledgment may contain a general description of any accelerated death benefit that is available under a provision of or rider to the life insurance contract.

010. Severability.

If any section or portion of a section of this chapter, or the applicability thereof to any person or circumstance, is held invalid by a court, the remainder of this chapter, or the applicability of such provision to other persons shall not be affected thereby.

APPENDIX A

VERIFICATION OF COVERAGE FOR INDIVIDUALS POLICIES

Section One:

(To be completed by the Viatical Settlement Provider or Viatical Settlement Broker)

Insurance Company:_____ Name of Policyowner:_____

Policy Number:_____ Owner's Social Security Number:_____

Name of Insured:_____ Policyowner's Address:_____
(Street)

Insured's Date of Birth:_____ _____
(City/State)

Please provide the information requested in Section Two (below) with regard to the policy identified above and in accordance with the attached authorization.

In addition, please provide the forms checked below which are available from your company to complete a viatical settlement transaction:

_____ Absolute Assignment/Change of Ownership/Viatical Assignment Form

_____ Change of beneficiary

_____ Release of Irrevocable Beneficiary (if applicable)

_____ Waiver of Premium Claim Form

_____ Disability Waiver of Premium Approval Letter

Date

Signature of a Representative of Viatical
Settlement Broker or Viatical Settlement Provider

Full name and address of Viatical Settlement Broker or Viatical Settlement Provider

Section Two:**(To be completed by the life insurance company)**

- 1) Face amount of policy: \$ _____
- 2) Original date of issue: ____/____/____ (Month/Day/Year)
- 3) Was face amount increased after original issue date? ____ no ____ yes
 - a) If yes, when: ____/____/____ (Month/Day/Year)
- 4) Type of policy: _____ (Term/Whole Life/Universal Life/Variable Life)
- 5) Is policy participating? ____ no ____ yes
- 6) Current net death benefit: _____ (Enter full amount payable, including any additional insurance, and/or dividends accumulated at interest, minus policy loans, outstanding interest on policy loans and/or accelerated death benefits paid.)
- 7)
 - a) Current cash value: \$ _____ (Enter full amount, including cash value of any additional insurance and/or dividends accumulated at interest, minus policy loans and outstanding interest on policy loans.)
 - b) Current surrender value: \$ _____
- 8) Terms of policy loans:
 - a) Amount of policy loans: \$ _____
 - b) Amount of outstanding interest on policy loan: \$ _____
 - c) Current interest rate: _____
- 9) Has policy lapsed? ____ no ____ yes
 - a) If yes, when did policy lapse? ____/____/____ (Month/Day/Year)
If policy has lapsed, is coverage continued under non-forfeiture option? ____ no ____ yes If yes, indicate which option, amount of coverage, duration, etc.: _____
- 10) Is policy in force: ____ no ____ yes
 - a) If yes, has the policy been reinstated within the last two years? ____ no ____ yes
If yes, date of reinstatement ____/____/____ (Month/Day/Year)
- 11) Amount of contract/scheduled premiums: \$ _____
- 12) Current premium mode: _____ (Monthly, semi-annually, etc.)
 - a) when is next premium due? ____/____/____ (Month/Day/Year)
- 13) Does the policy include a disability premium waiver provision/rider? ____ no ____ yes
 - a) If yes, are premiums currently being waived? ____ no ____ yes
 - b) If yes, since when? ____/____/____ (Month/Day/Year)
 - c) How often is continued eligibility reviewed? _____
 - d) When is the next review? ____/____/____ (Month/Day/Year)
- 14) Can payment of all or part of the death benefit be accelerated under this policy?
____ no ____ yes
- 15) Has a claim for accelerated death benefit been submitted? ____ no ____ yes
 - a) If yes, was payment made under this provision? ____ no ____ yes
Amount paid: _____ Date paid: ____/____/____ (Month/Day/Year)
- 16) Do current records show any assignments of record? ____ no ____ yes
- 17) Do current records show any outstanding liens or encumbrances of record?
____ no ____ yes
- 18) Please identify current primary beneficiaries: _____

- a) Are they named irrevocably, or is owner otherwise limited in designation of new beneficiaries? _____ no _____ yes
- 19) Have any riders been added to this policy after issue? _____ no _____ yes
If yes, please identify: _____
- 20) If an ownership or beneficiary change or assignment were to be made on this policy, to whom would the completed forms be sent?

Name: _____ Title: _____

Company Name: _____ Department: _____

Address (No P.O. Box, please) _____

City: _____ State: _____ Zip: _____

Telephone No: _____ Fax: _____

- 21) Based on the information provided, do you intend to pursue an investigation for fraud in the underlying insurance contract? _____

The answers provided reflect information contained in the company's records as of : _____ (date)

Signature: _____ Name: (printed) _____

Title: _____

Company: _____

Direct Telephone No: _____ Direct Fax No: _____

APPENDIX B

VERIFICATION OF GROUP LIFE INSURANCE BENEFITS

Section One:

(To be completed by the viatical settlement provider or viatical settlement broker)

Insurance Company

Name of Employee/Member

Employer/Policyholder Name

Insured's Date of Birth

Policy Number

Employee/Membership Number

Please provide the information requested in Section Two or Section Three, as appropriate, with regard to the individual and coverage described, in accordance with the attached authorization. In addition, please provide the forms checked below which are available from your company to complete a viatical settlement transaction:

_____ Absolute Assignment
_____ Change of Beneficiary (irrevocable if applicable)
_____ Disability Waiver of premium claim or
_____ Disability Waiver of premium award letter

Date

Signature of a Representative of Viatical
Settlement Broker or Viatical Settlement
Provider

Full name and address of Viatical Settlement
Broker or Viatical Settlement Provider

Section Two:

(To be completed by the employer/group policyholder and the insurer. Both should indicate the parts they completed.)

1) BASIC COVERAGE:

- a) Is the plan self-insured or is coverage provided under a group policy issued by a life insurance company? _____

If by a group policy, please provide the name of the insurance company for BASIC life insurance coverage: _____

- b) Effective date of BASIC life insurance coverage: _____
- c) Face amount of BASIC life insurance: _____
- d) Does Basic coverage plan have contestable provisions? _____ no _____ yes
- e) Is BASIC coverage subject to a suicide provision? _____ no _____ yes
- f) Monthly premium paid by employer/group policyholder for BASIC life insurance: \$ _____
- g) Monthly premium paid by employee/insured for BASIC life insurance: \$ _____
- h) Is BASIC life insurance coverage _____ Term _____ Universal Life?
- i) If Universal Life, please indicate cash value, if any: _____ Is this amount payable in addition to the face amount? _____ no _____ yes
- i) Is coverage in force? _____ no _____ yes
- j) When is next premium due? _____
- k) Has employee's coverage under this plan ever been reinstated? _____ no _____ yes
- i) If yes, date of reinstatement: _____

2) SUPPLEMENTAL (OPTIONAL) COVERAGE

- a) Insurance Company for SUPPLEMENTAL life insurance coverage: _____
- b) Effective date of SUPPLEMENTAL life insurance coverage: _____
- c) Face amount of SUPPLEMENTAL life insurance: _____
- d) Does SUPPLEMENTAL coverage plan have contestable provisions? _____ no _____ yes
- e) Is SUPPLEMENTAL coverage subject to a suicide provision? _____ no _____ yes
- f) Monthly premium paid by employer/group policyholder for SUPPLEMENTAL life insurance: \$ _____
- g) Monthly premium paid by employee/insured for SUPPLEMENTAL life insurance: \$ _____
- h) Is SUPPLEMENTAL life insurance coverage _____ Term _____ Universal Life?
- i) If Universal Life, please indicate cash value, if any: _____ Is this amount payable in addition to the face amount? _____ no _____ yes
- i) Is coverage in force? _____ no _____ yes
- j) When is next premium due? _____
- k) Has employee's coverage under this policy been reinstated within the last two years? _____ no _____ yes
- i) If yes, date of reinstatement: _____

3) DISABILITY WAIVER OF PREMIUM

- a) Does plan provide for waiver of premium in the event of employee/insured's disability?
- BASIC _____ no _____ yes What is the waiting period? _____
- SUPPLEMENTAL _____ no _____ yes What is the waiting period? _____
- b) Are premiums currently being waived under disability premium waiver?
- BASIC _____ no _____ yes

SUPPLEMENTAL _____ no _____ yes

- c) Who pays premiums under disability premium waiver?

BASIC _____

SUPPLEMENTAL _____

- d) What was the date of approval? _____

- e) Next review date? _____

- f) If the insured is no longer eligible for waiver, what amount of coverage can be converted to an individual policy? \$ _____

- i) Will a new suicide/contestability clause be in effect for the converted policy?

_____ no _____ yes

- ii) Will assignee be notified if insured is no longer eligible for waiver? _____ no _____ yes

4) BENEFICIARIES, ASSIGNMENTS AND LIMITATIONS

- a) Who are the primary beneficiaries of the coverage(s)?

BASIC _____

SUPPLEMENTAL: _____

- b) Is any beneficiary under this policy designated irrevocably, or is insured otherwise limited in designation of new beneficiaries? _____ no _____ yes

- c) Can this coverage be assigned?

BASIC _____ no _____ yes

If yes, to a corporation? _____ no _____ yes

To someone not related to insured? _____ no _____ yes

SUPPLEMENTAL _____ no _____ yes

If yes, to a corporation? _____ no _____ yes

To someone not related to insured? _____ no _____ yes

- d) Do records show any assignments of record? _____ no _____ yes

- e) Do records show any outstanding liens or encumbrances of record? _____ no _____ yes

- f) The following parties (as applicable) should indicate whether they will provide notice to the assignee if the master policy is terminated.

Group policyholder _____ no _____ yes

Third party administrator (if any) _____ no _____ yes

Insurance Company _____ no _____ yes

- g) Can Assignee convert the coverage without the permission of insured? _____ no _____ yes

5) ACCELERATED DEATH BENEFITS

a) Is there an Accelerated Death Benefit available under the coverage?

BASIC _____ no _____ yes

SUPPLEMENTAL _____ no _____ yes

b) Has request for Accelerated Death Benefit been made? _____ no _____ yes

c) Has payment been made to insured under this provision? _____ no _____ yes

i) Amount paid: _____ Date paid: _____

ii) Is this amount a lien against death proceeds? _____ no _____ yes

iii) Can the remaining death benefit be assigned? _____ no _____ yes

6) MISCELLANEOUS

a) Is coverage portable?

BASIC _____ no _____ yes

SUPPLEMENTAL _____ no _____ yes

b) If insured is no longer eligible for coverage under the group, will Assignee be notified?

_____ no _____ yes

If master policy discontinues, what amount can be converted to an individual policy? \$ _____

Is this plan administered by a third party? _____ no _____ yes

If yes, please provide the name, address and telephone number of administrator:

Name: _____ Title _____

Company name: _____ Department: _____

Street Address: _____
(No P.O. Box please)

City: _____ State: _____ Zip: _____

Telephone number: (_____) _____ Fax: (_____) _____

If a change of beneficiary form or assignment were to be made for this coverage, to whom should the completed forms be sent?

Name: _____ Title _____

Company name: _____ Department: _____

Street Address: _____
(No P.O. Box please)

City: _____ State: _____ Zip: _____

Telephone number: (_____) _____ Fax: (_____) _____

The answers provided reflect information in our files as of _____ (date)

Signature: _____ Name: _____

Date: _____ Date: _____

Company: _____

Direct telephone number: (_____) _____ Title: _____

Information not provided by the employer may be obtained from the insurance company if different from administrator identified above:

Name: _____ Title: _____

Company name: _____ Department: _____

Address: _____

City: _____ State _____ Zip: _____

Telephone number: (_____) _____ Fax (_____) _____

Section Three:

Under the terms of Section 009 covering insurance company practices, the insurance company or the third party administrator name above is requested to complete the information not provided by the employer in Section Two, above, Items number: _____

- 7) Based on the information provided, do you intend to pursue an investigation for fraud in the underlying insurance contract? _____

The answers provided to the identified questions reflect information in the files of the insurance company as of _____ (date)

Signature: _____ Name: _____

Date: _____ Title: _____

Company: _____

Direct telephone number: (_____) _____ Direct fax number(_____) _____